

By: Senator(s) Hyde-Smith

To: Finance

SENATE BILL NO. 2017

1 AN ACT TO PROVIDE FOR A TAX CREDIT AGAINST THE AMOUNT OF AD
 2 VALOREM TAXES DUE DURING THE TAXABLE YEAR ON ANY MOTORCYCLE; TO
 3 CREATE IN THE STATE TREASURY A SPECIAL FUND TO BE KNOWN AS THE
 4 MOTORCYCLE AD VALOREM TAX REDUCTION FUND, WHICH SHALL BE USED FOR
 5 THE PURPOSE OF MAKING PAYMENTS TO LOCAL TAXING DISTRICTS FOR THE
 6 REDUCTION IN MOTOR VEHICLE AD VALOREM TAX REVENUES AS A RESULT OF
 7 SUCH CREDIT; TO PROVIDE FOR THE MANNER IN WHICH THE PAYMENTS TO
 8 LOCAL TAXING DISTRICTS ARE TO BE MADE; TO AMEND SECTION 27-65-75,
 9 MISSISSIPPI CODE OF 1972, TO PROVIDE THAT A CERTAIN AMOUNT OF THE
 10 REVENUE GENERATED BY THE SALES TAX ON SALES OF MOTORCYCLES SHALL
 11 BE DEPOSITED INTO THE MOTORCYCLE AD VALOREM TAX REDUCTION FUND; TO
 12 AMEND SECTION 27-67-31, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT
 13 A CERTAIN AMOUNT OF THE USE TAX COLLECTED ON MOTORCYCLES SHALL BE
 14 DEPOSITED INTO THE MOTORCYCLE AD VALOREM TAX REDUCTION FUND; AND
 15 FOR RELATED PURPOSES.

16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

17 **SECTION 1.** As used in Sections 1 through 4 of this act:

18 (a) "Motorcycle" means every vehicle designed to travel
 19 on not more than three (3) wheels in contact with the ground and
 20 upon which the owner is required to pay the annual highway
 21 privilege tax levied in Section 27-19-5.

22 (b) "Local taxing district" means any county,
 23 municipality, school district or other local entity that levies an
 24 ad valorem tax or for which an ad valorem tax is levied, to fund
 25 all or a portion of its budget.

26 (c) "State fiscal year" means the period beginning on
 27 July 1 and ending on June 30 of the following year.

28 (d) "Commission" means the State Tax Commission.

29 **SECTION 2.** (1) From and after August 1, 2006, a taxpayer
 30 shall be allowed as a credit against motor vehicle ad valorem
 31 taxes due under Chapter 51, Title 27, Mississippi Code of 1972, on
 32 any motorcycle owned by him, an amount as provided for in
 33 subsection (2) of this section.

34 (2) (a) The amount of the credit that a taxpayer shall be
35 allowed against motor vehicle ad valorem taxes due for motorcycles
36 under Chapter 51, Title 27, Mississippi Code of 1972, shall be
37 determined by the State Tax Commission for each fiscal year. The
38 amount of the credit shall be promulgated by the commission on or
39 before May 1 prior to each state fiscal year beginning with the
40 state fiscal year beginning on July 1, 2006.

41 (b) In developing the credit, the commission shall
42 establish credit amounts that provide for an equal percentage of
43 dollar credit amounts for motorcycles in proportion to their
44 assessed value, based on the projected amount of funds in the
45 Motorcycle Ad Valorem Tax Reduction Fund that will be available
46 for distribution in the state fiscal year. The commission may
47 calculate the credit in such a manner so as to have surplus funds
48 available in the Motorcycle Ad Valorem Tax Reduction Fund for cash
49 flow needs and monthly shortfalls that might be incurred as a
50 result of unexpected revenue fluctuations; however, in the
51 calculation of the credit in order to make such surplus funds
52 available, the commission shall attempt to create a balance in the
53 Motorcycle Ad Valorem Tax Reduction Fund that does not exceed at
54 the end of any state fiscal year five percent (5%) of the
55 projected amount of funds that will be available in the Motorcycle
56 Ad Valorem Tax Reduction Fund for distribution during the state
57 fiscal year.

58 (3) Tax credits provided for by this section may be used
59 against motorcycle ad valorem taxes due under Chapter 51, Title
60 27, Mississippi Code of 1972, at the time that a taxpayer pays
61 motor vehicle ad valorem taxes to the county tax collector.

62 (4) Each receipt for motorcycle ad valorem taxes shall
63 clearly indicate that the credit provided for by this section is
64 granted as a result of legislative action.

65 (5) A taxpayer who is delinquent in the payment of
66 motorcycle ad valorem taxes to the extent that the penalty

67 assessed pursuant to Section 27-51-43, Mississippi Code of 1972,
68 has reached twenty-five percent (25%) of the ad valorem taxes due
69 shall not be eligible to receive the tax credit authorized
70 pursuant to this section.

71 **SECTION 3.** (1) There is created in the State Treasury a
72 special fund to be known as the Motorcycle Ad Valorem Tax
73 Reduction Fund, into which shall be deposited the money specified
74 in Section 27-65-75(20) and Section 27-67-31(e), other money as
75 the Legislature may provide by appropriation and money otherwise
76 required to be deposited into the fund. The monies in the fund
77 shall be used for the purpose of making payments to counties for
78 the reduction in motor vehicle ad valorem tax revenues incurred by
79 local taxing districts in the county as a result of the ad valorem
80 tax credit for motorcycles that is provided for by Section 2 of
81 this act.

82 (2) The Motorcycle Ad Valorem Tax Reduction Fund shall be
83 administered by the State Tax Commission, and monies in the fund
84 shall be expended upon appropriation by the Legislature.
85 Unexpended amounts remaining in the fund at the end of the state
86 fiscal year shall not lapse into the State General Fund, and any
87 interest earned on amounts in the fund shall be deposited to the
88 credit of the fund.

89 **SECTION 4.** (1) On or before September 10, 2006, and the
90 tenth day of each succeeding month thereafter, the State Tax
91 Commission shall make payments from the Motorcycle Ad Valorem Tax
92 Reduction Fund established in Section 3 of this act to the county
93 tax collectors for distribution to the local taxing districts as
94 reimbursement for motor vehicle ad valorem taxes that are lost
95 during the preceding month as a result of the ad valorem tax
96 credit for motorcycles that is provided for by Section 2 of this
97 act. The amount that each local taxing district will receive for
98 each month under this subsection shall be determined by the State

99 Tax Commission based on documentation provided by the tax
100 collectors under guidelines established by the commission.

101 (2) On or before the twentieth day of the month that the
102 payments from the commission under subsection (1) of this section
103 are received, the county tax collectors shall remit the
104 appropriate amount of such payments to the local taxing districts
105 for which the county tax collector collects motor vehicle ad
106 valorem taxes. When an ad valorem tax credit that is allowed to a
107 taxpayer is not paid by the commission in the payment for the
108 month in which such credit is allowed, the tax collector shall
109 remit the payment for such credit to the local taxing authority on
110 or before the twentieth day of the month that payment for such
111 credit is received from the commission.

112 (3) Funds received by local taxing districts from the
113 payments under subsection (1) of this section shall be considered
114 to be, and shall be used in the same manner as, the proceeds of
115 motor vehicle ad valorem taxes.

116 **SECTION 5.** Section 27-65-75, Mississippi Code of 1972, is
117 amended as follows:

118 27-65-75. On or before the fifteenth day of each month, the
119 revenue collected under the provisions of this chapter during the
120 preceding month shall be paid and distributed as follows:

121 (1) On or before August 15, 1992, and each succeeding month
122 thereafter through July 15, 1993, eighteen percent (18%) of the
123 total sales tax revenue collected during the preceding month under
124 the provisions of this chapter, except that collected under the
125 provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on
126 business activities within a municipal corporation shall be
127 allocated for distribution to the municipality and paid to the
128 municipal corporation. On or before August 15, 1993, and each
129 succeeding month thereafter, eighteen and one-half percent
130 (18-1/2%) of the total sales tax revenue collected during the
131 preceding month under the provisions of this chapter, except that

132 collected under the provisions of Sections 27-65-15, 27-65-19(3)
133 and 27-65-21, on business activities within a municipal
134 corporation shall be allocated for distribution to the
135 municipality and paid to the municipal corporation.

136 A municipal corporation, for the purpose of distributing the
137 tax under this subsection, shall mean and include all incorporated
138 cities, towns and villages.

139 Monies allocated for distribution and credited to a municipal
140 corporation under this subsection may be pledged as security for a
141 loan if the distribution received by the municipal corporation is
142 otherwise authorized or required by law to be pledged as security
143 for such a loan.

144 In any county having a county seat that is not an
145 incorporated municipality, the distribution provided under this
146 subsection shall be made as though the county seat was an
147 incorporated municipality; however, the distribution to the
148 municipality shall be paid to the county treasury in which the
149 municipality is located, and those funds shall be used for road,
150 bridge and street construction or maintenance in the county.

151 (2) On or before September 15, 1987, and each succeeding
152 month thereafter, from the revenue collected under this chapter
153 during the preceding month, One Million One Hundred Twenty-five
154 Thousand Dollars (\$1,125,000.00) shall be allocated for
155 distribution to municipal corporations as defined under subsection
156 (1) of this section in the proportion that the number of gallons
157 of gasoline and diesel fuel sold by distributors to consumers and
158 retailers in each such municipality during the preceding fiscal
159 year bears to the total gallons of gasoline and diesel fuel sold
160 by distributors to consumers and retailers in municipalities
161 statewide during the preceding fiscal year. The State Tax
162 Commission shall require all distributors of gasoline and diesel
163 fuel to report to the commission monthly the total number of
164 gallons of gasoline and diesel fuel sold by them to consumers and

165 retailers in each municipality during the preceding month. The
166 State Tax Commission shall have the authority to promulgate such
167 rules and regulations as is necessary to determine the number of
168 gallons of gasoline and diesel fuel sold by distributors to
169 consumers and retailers in each municipality. In determining the
170 percentage allocation of funds under this subsection for the
171 fiscal year beginning July 1, 1987, and ending June 30, 1988, the
172 State Tax Commission may consider gallons of gasoline and diesel
173 fuel sold for a period of less than one (1) fiscal year. For the
174 purposes of this subsection, the term "fiscal year" means the
175 fiscal year beginning July 1 of a year.

176 (3) On or before September 15, 1987, and on or before the
177 fifteenth day of each succeeding month, until the date specified
178 in Section 65-39-35, the proceeds derived from contractors' taxes
179 levied under Section 27-65-21 on contracts for the construction or
180 reconstruction of highways designated under the highway program
181 created under Section 65-3-97 shall, except as otherwise provided
182 in Section 31-17-127, be deposited into the State Treasury to the
183 credit of the State Highway Fund to be used to fund that highway
184 program. The Mississippi Department of Transportation shall
185 provide to the State Tax Commission such information as is
186 necessary to determine the amount of proceeds to be distributed
187 under this subsection.

188 (4) On or before August 15, 1994, and on or before the
189 fifteenth day of each succeeding month through July 15, 1999, from
190 the proceeds of gasoline, diesel fuel or kerosene taxes as
191 provided in Section 27-5-101(a)(ii)1, Four Million Dollars
192 (\$4,000,000.00) shall be deposited in the State Treasury to the
193 credit of a special fund designated as the "State Aid Road Fund,"
194 created by Section 65-9-17. On or before August 15, 1999, and on
195 or before the fifteenth day of each succeeding month, from the
196 total amount of the proceeds of gasoline, diesel fuel or kerosene
197 taxes apportioned by Section 27-5-101(a)(ii)1, Four Million

198 Dollars (\$4,000,000.00) or an amount equal to twenty-three and
199 one-fourth percent (23-1/4%) of those funds, whichever is the
200 greater amount, shall be deposited in the State Treasury to the
201 credit of the "State Aid Road Fund," created by Section 65-9-17.
202 Those funds shall be pledged to pay the principal of and interest
203 on state aid road bonds heretofore issued under Sections 19-9-51
204 through 19-9-77, in lieu of and in substitution for the funds
205 previously allocated to counties under this section. Those funds
206 may not be pledged for the payment of any state aid road bonds
207 issued after April 1, 1981; however, this prohibition against the
208 pledging of any such funds for the payment of bonds shall not
209 apply to any bonds for which intent to issue those bonds has been
210 published, for the first time, as provided by law before March 29,
211 1981. From the amount of taxes paid into the special fund under
212 this subsection and subsection (9) of this section, there shall be
213 first deducted and paid the amount necessary to pay the expenses
214 of the Office of State Aid Road Construction, as authorized by the
215 Legislature for all other general and special fund agencies. The
216 remainder of the fund shall be allocated monthly to the several
217 counties in accordance with the following formula:

218 (a) One-third (1/3) shall be allocated to all counties
219 in equal shares;

220 (b) One-third (1/3) shall be allocated to counties
221 based on the proportion that the total number of rural road miles
222 in a county bears to the total number of rural road miles in all
223 counties of the state; and

224 (c) One-third (1/3) shall be allocated to counties
225 based on the proportion that the rural population of the county
226 bears to the total rural population in all counties of the state,
227 according to the latest federal decennial census.

228 For the purposes of this subsection, the term "gasoline,
229 diesel fuel or kerosene taxes" means such taxes as defined in
230 paragraph (f) of Section 27-5-101.

231 The amount of funds allocated to any county under this
232 subsection for any fiscal year after fiscal year 1994 shall not be
233 less than the amount allocated to the county for fiscal year
234 1994.

235 Any reference in the general laws of this state or the
236 Mississippi Code of 1972 to Section 27-5-105 shall mean and be
237 construed to refer and apply to subsection (4) of Section
238 27-65-75.

239 (5) One Million Six Hundred Sixty-six Thousand Six Hundred
240 Sixty-six Dollars (\$1,666,666.00) each month shall be paid into
241 the special fund known as the "State Public School Building Fund"
242 created and existing under the provisions of Sections 37-47-1
243 through 37-47-67. Those payments into that fund are to be made on
244 the last day of each succeeding month hereafter.

245 (6) An amount each month beginning August 15, 1983, through
246 November 15, 1986, as specified in Section 6 of Chapter 542, Laws
247 of 1983, shall be paid into the special fund known as the
248 Correctional Facilities Construction Fund created in Section 6 of
249 Chapter 542, Laws of 1983.

250 (7) On or before August 15, 1992, and each succeeding month
251 thereafter through July 15, 2000, two and two hundred sixty-six
252 one-thousandths percent (2.266%) of the total sales tax revenue
253 collected during the preceding month under the provisions of this
254 chapter, except that collected under the provisions of Section
255 27-65-17(2) shall be deposited by the commission into the School
256 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On
257 or before August 15, 2000, and each succeeding month thereafter,
258 two and two hundred sixty-six one-thousandths percent (2.266%) of
259 the total sales tax revenue collected during the preceding month
260 under the provisions of this chapter, except that collected under
261 the provisions of Section 27-65-17(2), shall be deposited into the
262 School Ad Valorem Tax Reduction Fund created under Section
263 37-61-35 until such time that the total amount deposited into the

264 fund during a fiscal year equals Forty-two Million Dollars
265 (\$42,000,000.00). Thereafter, the amounts diverted under this
266 subsection (7) during the fiscal year in excess of Forty-two
267 Million Dollars (\$42,000,000.00) shall be deposited into the
268 Education Enhancement Fund created under Section 37-61-33 for
269 appropriation by the Legislature as other education needs and
270 shall not be subject to the percentage appropriation requirements
271 set forth in Section 37-61-33.

272 (8) On or before August 15, 1992, and each succeeding month
273 thereafter, nine and seventy-three one-thousandths percent
274 (9.073%) of the total sales tax revenue collected during the
275 preceding month under the provisions of this chapter, except that
276 collected under the provisions of Section 27-65-17(2), shall be
277 deposited into the Education Enhancement Fund created under
278 Section 37-61-33.

279 (9) On or before August 15, 1994, and each succeeding month
280 thereafter, from the revenue collected under this chapter during
281 the preceding month, Two Hundred Fifty Thousand Dollars
282 (\$250,000.00) shall be paid into the State Aid Road Fund.

283 (10) On or before August 15, 1994, and each succeeding month
284 thereafter through August 15, 1995, from the revenue collected
285 under this chapter during the preceding month, Two Million Dollars
286 (\$2,000,000.00) shall be deposited into the Motor Vehicle Ad
287 Valorem Tax Reduction Fund established in Section 27-51-105.

288 (11) Notwithstanding any other provision of this section to
289 the contrary, on or before February 15, 1995, and each succeeding
290 month thereafter, the sales tax revenue collected during the
291 preceding month under the provisions of Section 27-65-17(2) and
292 the corresponding levy in Section 27-65-23 on the rental or lease
293 of private carriers of passengers and light carriers of property
294 as defined in Section 27-51-101 shall be deposited, without
295 diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund
296 established in Section 27-51-105.

297 (12) Notwithstanding any other provision of this section to
298 the contrary, on or before August 15, 1995, and each succeeding
299 month thereafter, the sales tax revenue collected during the
300 preceding month under the provisions of Section 27-65-17(1) on
301 retail sales of private carriers of passengers and light carriers
302 of property, as defined in Section 27-51-101 and the corresponding
303 levy in Section 27-65-23 on the rental or lease of these vehicles,
304 shall be deposited, after diversion, into the Motor Vehicle Ad
305 Valorem Tax Reduction Fund established in Section 27-51-105.

306 (13) On or before July 15, 1994, and on or before the
307 fifteenth day of each succeeding month thereafter, that portion of
308 the avails of the tax imposed in Section 27-65-22 that is derived
309 from activities held on the Mississippi state fairgrounds complex,
310 shall be paid into a special fund that is created in the State
311 Treasury and shall be expended upon legislative appropriation
312 solely to defray the costs of repairs and renovation at the Trade
313 Mart and Coliseum.

314 (14) On or before August 15, 1998, and each succeeding month
315 thereafter through July 15, 2005, that portion of the avails of
316 the tax imposed in Section 27-65-23 that is derived from sales by
317 cotton compresses or cotton warehouses and that would otherwise be
318 paid into the General Fund, shall be deposited in an amount not to
319 exceed Two Million Dollars (\$2,000,000.00) into the special fund
320 created under Section 69-37-39.

321 (15) Notwithstanding any other provision of this section to
322 the contrary, on or before September 15, 2000, and each succeeding
323 month thereafter, the sales tax revenue collected during the
324 preceding month under the provisions of Section 27-65-19(1)(f) and
325 (g)(i)2, shall be deposited, without diversion, into the
326 Telecommunications Ad Valorem Tax Reduction Fund established in
327 Section 27-38-7.

328 (16) On or before August 15, 2000, and each succeeding month
329 thereafter, the sales tax revenue collected during the preceding

330 month under the provisions of this chapter on the gross proceeds
331 of sales of a project as defined in Section 57-30-1 shall be
332 deposited, after all diversions except the diversion provided for
333 in subsection (1) of this section, into the Sales Tax Incentive
334 Fund created in Section 57-30-3.

335 (17) Notwithstanding any other provision of this section to
336 the contrary, on or before April 15, 2002, and each succeeding
337 month thereafter, the sales tax revenue collected during the
338 preceding month under Section 27-65-23 on sales of parking
339 services of parking garages and lots at airports shall be
340 deposited, without diversion, into the special fund created under
341 Section 27-5-101(d).

342 (18) On or before August 15, 2007, and each succeeding month
343 thereafter through July 15, 2008, from the sales tax revenue
344 collected during the preceding month under the provisions of this
345 chapter, Two Million Five Hundred Thousand Dollars (\$2,500,000.00)
346 shall be deposited into the Special Funds Transfer Fund created in
347 Section 4 of Chapter 556, Laws of 2003.

348 (19) (a) On or before August 15, 2005, and each succeeding
349 month thereafter, the sales tax revenue collected during the
350 preceding month under the provisions of this chapter on the gross
351 proceeds of sales of a business enterprise located within a
352 redevelopment project area under the provisions of Sections
353 57-91-1 through 57-91-11, and the revenue collected on the gross
354 proceeds of sales from sales made to a business enterprise located
355 in a redevelopment project area under the provisions of Sections
356 57-91-1 through 57-91-11 (provided that such sales made to a
357 business enterprise are made on the premises of the business
358 enterprise), shall, except as otherwise provided in this
359 subsection (19), be deposited, after all diversions, into the
360 Redevelopment Project Incentive Fund as created in Section
361 57-91-9.

362 (b) For a municipality participating in the Economic
363 Redevelopment Act created in Sections 57-91-1 through 57-91-11,
364 the diversion provided for in subsection (1) of this section
365 attributable to the gross proceeds of sales of a business
366 enterprise located within a redevelopment project area under the
367 provisions of Sections 57-91-1 through 57-91-11, and attributable
368 to the gross proceeds of sales from sales made to a business
369 enterprise located in a redevelopment project area under the
370 provisions of Sections 57-91-1 through 57-91-11 (provided that
371 such sales made to a business enterprise are made on the premises
372 of the business enterprise), shall be deposited into the
373 Redevelopment Project Incentive Fund as created in Section
374 57-91-9, as follows:

375 (i) For the first six (6) years in which payments
376 are made to a developer from the Redevelopment Project Incentive
377 Fund, one hundred percent (100%) of the diversion shall be
378 deposited into the fund;

379 (ii) For the seventh year in which such payments
380 are made to a developer from the Redevelopment Project Incentive
381 Fund, eighty percent (80%) of the diversion shall be deposited
382 into the fund;

383 (iii) For the eighth year in which such payments
384 are made to a developer from the Redevelopment Project Incentive
385 Fund, seventy percent (70%) of the diversion shall be deposited
386 into the fund;

387 (iv) For the ninth year in which such payments are
388 made to a developer from the Redevelopment Project Incentive Fund,
389 sixty percent (60%) of the diversion shall be deposited into the
390 fund; and

391 (v) For the tenth year in which such payments are
392 made to a developer from the Redevelopment Project Incentive Fund,
393 fifty percent (50%) of the funds shall be deposited into the fund.

394 (20) Notwithstanding any other provision of this section to
395 the contrary, on or before August 15, 2006, and each succeeding
396 month thereafter, an amount equal to seventy-one percent (71%) of
397 the sales tax revenue collected during the preceding month under
398 the provisions of Section 27-65-17 on retail sales of motorcycles,
399 as defined in Section 1 of Senate Bill No. 2017, 2006 Regular
400 Session, and the corresponding levy in Section 27-65-23 on the
401 rental or lease of these vehicles, shall be deposited, after
402 diversion, into the Motorcycle Ad Valorem Tax Reduction Fund
403 established in Section 3 of Senate Bill No. 2017, 2006 Regular
404 Session.

405 (21) The remainder of the amounts collected under the
406 provisions of this chapter shall be paid into the State Treasury
407 to the credit of the General Fund.

408 (22) It shall be the duty of the municipal officials of any
409 municipality that expands its limits, or of any community that
410 incorporates as a municipality, to notify the commissioner of that
411 action thirty (30) days before the effective date. Failure to so
412 notify the commissioner shall cause the municipality to forfeit
413 the revenue that it would have been entitled to receive during
414 this period of time when the commissioner had no knowledge of the
415 action. If any funds have been erroneously disbursed to any
416 municipality or any overpayment of tax is recovered by the
417 taxpayer, the commissioner may make correction and adjust the
418 error or overpayment with the municipality by withholding the
419 necessary funds from any later payment to be made to the
420 municipality.

421 **SECTION 6.** Section 27-67-31, Mississippi Code of 1972, is
422 amended as follows:

423 27-67-31. All administrative provisions of the sales tax
424 law, and amendments thereto, including those which fix damages,
425 penalties and interest for failure to comply with the provisions
426 of said sales tax law, and all other requirements and duties

427 imposed upon taxpayer, shall apply to all persons liable for use
428 taxes under the provisions of this article. The commissioner
429 shall exercise all power and authority and perform all duties with
430 respect to taxpayers under this article as are provided in said
431 sales tax law, except where there is conflict, then the provisions
432 of this article shall control.

433 The commissioner may require transportation companies to
434 permit the examination of waybills, freight bills, or other
435 documents covering shipments of tangible personal property into
436 this state.

437 On or before the fifteenth day of each month, the amount
438 received from taxes, damages and interest under the provisions of
439 this article during the preceding month shall be paid and
440 distributed as follows:

441 (a) On or before July 15, 1994, through July 15, 2000,
442 and each succeeding month thereafter, two and two hundred
443 sixty-six one-thousandths percent (2.266%) of the total use tax
444 revenue collected during the preceding month under the provisions
445 of this article shall be deposited in the School Ad Valorem Tax
446 Reduction Fund created pursuant to Section 37-61-35. On or before
447 August 15, 2000, and each succeeding month thereafter, two and two
448 hundred sixty-six one-thousandths percent (2.266%) of the total
449 use tax revenue collected during the preceding month under the
450 provisions of this chapter shall be deposited into the School Ad
451 Valorem Tax Reduction Fund created under Section 37-61-35 until
452 such time that the total amount deposited into the fund during a
453 fiscal year equals Four Million Dollars (\$4,000,000.00).
454 Thereafter, the amounts diverted under this paragraph (a) during
455 the fiscal year in excess of Four Million Dollars (\$4,000,000.00)
456 shall be deposited into the Education Enhancement Fund created
457 under Section 37-61-33 for appropriation by the Legislature as
458 other education needs and shall not be subject to the percentage
459 appropriation requirements set forth in Section 37-61-33.

460 (b) On or before July 15, 1994, and each succeeding
461 month thereafter, nine and seventy-three one-thousandths percent
462 (9.073%) of the total use tax revenue collected during the
463 preceding month under the provisions of this article shall be
464 deposited into the Education Enhancement Fund created pursuant to
465 Section 37-61-33.

466 (c) On or before July 15, 1997, and on or before the
467 fifteenth day of each succeeding month thereafter, the revenue
468 collected under the provisions of this article imposed and levied
469 as a result of Section 27-65-17(2) and the corresponding levy in
470 Section 27-65-23 on the rental or lease of private carriers of
471 passengers and light carriers of property as defined in Section
472 27-51-101 shall be deposited into the Motor Vehicle Ad Valorem Tax
473 Reduction Fund created pursuant to Section 27-51-105.

474 (d) On or before July 15, 1997, and on or before the
475 fifteenth day of each succeeding month thereafter and after the
476 deposits required by paragraphs (a) and (b) of this section are
477 made, the remaining revenue collected under the provisions of this
478 article imposed and levied as a result of Section 27-65-17(1) and
479 the corresponding levy in Section 27-65-23 on the rental or lease
480 of private carriers of passengers and light carriers of property
481 as defined in Section 27-51-101 shall be deposited into the Motor
482 Vehicle Ad Valorem Tax Reduction Fund created pursuant to Section
483 27-51-105.

484 (e) On or before August 15, 2006, and on or before the
485 fifteenth day of each succeeding month thereafter and after the
486 deposits required by paragraphs (a) and (b) of this section are
487 made, seventy-one percent (71%) of the remaining revenue collected
488 under the provisions of this article imposed and levied on
489 motorcycles as defined in Section 1 of Senate Bill No. 2017, 2006
490 Regular Session, as a result of Section 27-65-17 and the
491 corresponding levy in Section 27-65-23 on the rental or lease of
492 motorcycles as defined in Section 1 of Senate Bill No. 2017, 2006

493 Regular Session, shall be deposited into the Motorcycle Ad Valorem
494 Tax Reduction Fund created pursuant to Section 3 of Senate Bill
495 No. 2017, 2006 Regular Session.

496 (f) The remainder of the amount received from taxes,
497 damages and interest under the provisions of this article shall be
498 paid into the General Fund of the State Treasury by the
499 commissioner.

500 **SECTION 7.** This act shall take effect and be in force from
501 and after its passage.